GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:1922
ANSWERED ON:14.03.2017
Pending Court Cases
Mahto Dr. Banshilal

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the number of cases pending in courts with regard to recovery of surcharge from different pharmaceuticals companies for overcharging on medicines;

(b) the total amount involved in these pending cases, case-wise; and

(c) the initiatives/steps taken by the Government so far regarding the disposal of these cases along with the success achieved in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS; MINISTRY OF SHIPPING AND MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI MANSUKH L. MANDAVIYA)

(a) & (b): As on 28.02.2017, 174 cases are pending in courts and an amount of Rs. 3469.91 crore is involved in litigation under Drugs (Prices Control) Order, 1995 (DPCO, 1995) and Drugs (Prices Control) Order, 2013 (DPCO, 2013). The list of overcharging cases indicating under litigation status is uploaded on National Pharmaceutical Pricing Authority (NPPA) website www.nppa.nic.in.

(c): The cases pending in various courts are followed up persistently through Department of Legal Affairs and their nominated law officers, Senior advocates, and Government advocates. In most of the cases decided so far, Government has got favourable judgments. Few landmark judgments are:

The Hon'ble Supreme Court vide order dated 20.07.2016 has remanded 15 cases to Bombay High Court with direction to writ petitioners for deposit of overcharged amounts in terms of above said order. Civil appeal 329/2005 filed by UOI vs Cipla Limited and connected cases have been allowed by the Hon'ble Supreme Court and SLPs filed by Dr. Reddy's Labs Limited have been dismissed on 21.10.2016, upholding various price notifications issued under DPCO,1995. The above order has facilitated recovery of Rs.215.78 Crore.

The Hon'ble Bombay High Court vide its order dated 26.09.2016 dismissed Writ Petition no. 2700 of 2014 [Indian Pharmaceuticals Alliance (IPA) vs Union of India]. SLP (C) No. 30089/2016 filed by IPA against the aforesaid judgment dated 26.09.2016 has also been dismissed by Hon'ble Supreme Court on 24.10.2016. An amount of Rs.69.86 Crores have been deposited by the pharmaceuticals companies in respect of overcharging related to price notifications issued on 10.07.2014 under paragraph 19 of DPCO,2013.

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